

RHEINLAND-PFALZ AND THE UNITED STATES

Rheinland-Pfalz (R-P) has had a long, successful and extremely close relationship with the U.S. This long-standing relationship has its roots in the large U.S. military presence in the state and also the vast number of so-named "Palatines" who immigrated from R-P to the United States.

I. Economic and Business Connections

A. Investment

U.S. Investment in Rheinland-Pfalz

- Rheinland-Pfalz is home to about 108 companies with a U.S. majority shareholder and 130 companies with at least 25% U.S. ownership. Together, these firms employ a total of approximately 17,000 people.
- With FDI at 1.3 billion euros in 2007, the U.S. is the second largest investor in R-P after the Netherlands.
- The five largest U.S. corporations in R-P are the production site of Adam Opel AG (General Motors) in Kaiserslautern with 5,000 employees, Hakle-Kimberly in Koblenz with 1,280 employees, the production site of John Deere in Zweibrücken with 900 employees and Watts Industries in Landau with 180 employees.
- Approximately 100 companies from R-P have an annual turnover of 19.8 billion euros or more in the U.S.

Rheinland-Pfalz Investment in the U.S.

- Major Rheinland-Pfalz companies like BASF, Boehringer-Ingelheim and Schott Glass have established subsidiaries and production sites in the U.S.
- The largest R-P companies in the U.S. are BASF with 15,100 employees, Boehringer-Ingelheim with 9,100 employees and Schott Glass with about 1,500 people. In 2009, Schott will open its new Solar Production Facility in New Mexico, which will bring 350 clean technology jobs to the region.
- With FDI at 7.4 billion euros for 2007, the U.S. is the second most important market for direct investment after Belgium.

B. Trade

U.S. Trade with Rheinland-Pfalz

- Exports from the U.S. to R-P amounted to 2.6 billion euros in 2008, making the U.S. the sixth most important trading partner after Netherlands, France, Belgium, China and Italy.
- The majority of goods from the U.S. were pharmaceuticals, followed by aviation products, chemical components and automotive parts and engines.

Rheinland-Pfalz Trade with the U.S.

- In 2008, R-P's exports to the U.S. amounted to 4.5 billion euros, making the U.S. market, the second most important market for R-P goods after France. The most important exports were pharmaceutical components, pharmaceutical products, mining tools and plastics/
- In addition, R-P is not only Germany's largest wine producer (65-70% of all German wines are produced in the state) but also Germany's largest exporter of wines (79% of the overall German wine exports come from R-P). After Great Britain, the U.S. is the second most important export market for R-P wines. With the renaissance of Riesling in the U.S., R-P wine producers are enjoying growing exports to the U.S. As of April 2008, Riesling was the second fastest growing variety of imported wine in the U.S. after Pinot Noir. In dollar sales, Riesling wine imports to the U.S. grew 18.4%. By volume, it increased 16%.

II. People-to-People Connections

A. Tourism from the U.S.

- In 2008, over 143,000 U.S. tourists visited R-P. This makes U.S. visitors the fourth largest group of foreign tourists after the Dutch, Belgians and British.

B. Resident Citizens and Emigrants

- At the end of 2008, 7,023 U.S. citizens were living in Rheinland-Pfalz, excluding U.S. military personnel.

III. Research & Technology Connections

A. Universities and Technical Colleges

- Because of the partnership between the State of Rheinland-Pfalz and South Carolina, there are many cooperation agreements between R-P and U.S. universities. The most prominent agreements include: Fachhochschule Bingen and Clemson University and the University of Trier and Francis Marion University.

B. Research Institutes

- The Fraunhofer Institut Experimentelles Software Engineering (IESE) in Kaiserslautern owes its worldwide reputation to its international cooperation with other research institutions. In the U.S., IESE has established a sister organization – the Fraunhofer Center FC-MD in close cooperation with the University of Maryland and many other partners from the International Software Engineering Research Network (ISERN) in the U.S.
- The Max Planck Institute for Chemistry in Mainz cooperates closely with scientists at the Carnegie Institute in Washington and scientists at Harvard University in Cambridge.

IV. Educational & Cultural Exchanges

A. Educational

- The University of Mainz has exchange agreements with over twenty U.S. universities. Additionally the university has a program in tandem with the television station ZDF where exchange students study journalism in the U.S. and Germany.

B. Partnerships

- Besides the numerous economic and military connections, R-P has many close cultural relationships with the U.S. In 1995, an administrative agreement was signed between the state governments of Rheinland-Pfalz and South Carolina, aimed at advancing academic, educational, scientific and economic cooperation. In 1997, this effort was turned into a sister-state agreement. Exchange opportunities for students and teachers were added.
- There are 21 sister city agreements between R-P and U.S. cities. The oldest is the Ludwigshafen-Pasadena relationship, which will celebrate its 60th anniversary this year.
- One of the best-known U.S.-linked organizations in R-P is the “Atlantische Akademie Rheinland-Pfalz” (Atlantic Academy of Rheinland-Pfalz) in Kaiserslautern. The academy was opened in 1996 with the aim of intensifying cooperation with the American community in R-P and partner institutions in the U.S.

V. U.S. Military and Government Presence

- The city of Kaiserslautern, located near Ramstein Air Force Base is considered one of the “most American” towns in Germany with almost 47,000 U.S. citizens living in and near the

city of 100,000. With the U.S. bases in Ramstein and Spangdahlem and the military hospital in Landstuhl, the U.S. still maintains a major military presence in Rheinland-Pfalz.

- The economic impact of U.S. military forces in R-P is considerable. The Kaiserslautern Military Community has approximately 47,000 members and is the largest military community outside the continental United States. The community consists of both Army and Air Force members and families. Most prominent is Ramstein Airbase, which is the headquarters of the U.S. Air Forces in Europe (USAFE) and the largest U.S. Air Force installation outside the U.S.
- Near Kaiserslautern is the Landstuhl Military Regional Medical Center (LMRC), which employs approximately 2,200 people. It is the largest U.S. Military Hospital outside the U.S.
- Additional U.S. military installations in R-P are Spangdahlem Air Base and Baumholder.
- The U.S. military presence in R-P had an estimated economic impact in 2007 of \$582,278,535.

U.S. Consulate General Frankfurt. September 2009.